



NOTICE OF ANNUAL GENERAL MEETING

AND

MANAGEMENT PROXY CIRCULAR

FOR THE

ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD

TUESDAY, JUNE 6, 2017

10:00 A.M. (PACIFIC)

SUITE 1305, 1090 WEST GEORGIA STREET

VANCOUVER, BRITISH COLUMBIA

SEAWAY ENERGY SERVICES INC.

Notice of Annual General Meeting of Shareholders

TAKE NOTICE that the Annual General Meeting (the “**Meeting**”) of the Shareholders of Seaway Energy Services Inc. (the “**Corporation**”) will be held at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia on Tuesday, June 6, 2017 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the years ended September 30, 2016 and 2015, and the reports of the auditors thereon;
2. to appoint the auditors for the Corporation for the ensuing year and to authorize the board of directors to fix the auditors’ remuneration;
3. to fix the number of directors for the ensuing year at five (5);
4. to elect five directors for the ensuing year;
5. to consider and, if thought fit, to pass an ordinary resolution to ratify and approve the Corporation’s stock option plan, as more particularly described in the Corporation’s Management Proxy Circular attached hereto; and
6. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice of Meeting are a Management Proxy Circular, an Instrument of Proxy (or a voting instruction form if you hold common shares through a broker or other intermediary) and a Financial Statement Request Form. The accompanying Management Proxy Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice of Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy. If you are a registered shareholder of the Corporation and are unable to attend the Meeting in person, please complete, date and execute the accompanying form of proxy and deposit it with TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1, Fax: 416-595-9593, or by following the procedure for internet voting provided in the accompanying form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting, or with the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting, or any adjournment(s) or postponement(s) thereof.

If you are a non-registered shareholder of the Corporation and received this Notice and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your security on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Only holders of common shares of record at the close of business on May 1, 2017 will be entitled to vote at the Meeting.

DATED at Vancouver, British Columbia this 1st day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

“David Sidoo”

David Sidoo
President

SEAWAY ENERGY SERVICES INC.

#1305 - 1090 West Georgia Street
Vancouver, British Columbia V6E 3V7

MANAGEMENT PROXY CIRCULAR

(as at May 1, 2017 unless otherwise specified)

SOLICITATION OF PROXIES

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Seaway Energy Services Inc. (the “**Corporation**”) for use at the Annual General Meeting of Shareholders of the Corporation (and any adjournment(s) or postponement(s) thereof) (the “**Meeting**”) to be held on Tuesday, June 6, 2017 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Corporation at nominal cost, or by outside parties. All costs of solicitation by management will be borne by the Corporation.

The contents and the sending of this Management Proxy Circular have been approved by the directors of the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors or officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT THE SHAREHOLDER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1, Fax: 416-595-9593, or by following the procedure for telephone or internet voting provided in the accompanying form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time for holding the Meeting or any adjournment(s) or postponement(s) thereof or to the Chairperson of the Meeting on the day of the Meeting, prior to the commencement of the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Corporation at 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting or, if adjourned or postponed, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) are advised that only proxies from shareholders of record can be recognized and voted at the Meeting. Beneficial Shareholders who complete and return an instrument of proxy must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The instrument of proxy supplied to Beneficial Shareholders is identical to that provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder.

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in such shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee and custodian for many Canadian brokerage firms)

Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Corporation do not know for whose benefit the common shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Management Proxy Circular and the proxy to the clearing agencies and intermediaries for onward distribution to non-registered shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive Meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Corporation to the registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder should a non-registered shareholder receiving such a form wish to vote at the Meeting, the non-registered shareholder should strike out the names of the management proxyholders named in the form and insert the non-registered shareholder's name in the blank provided. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote common shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted.** All references to shareholders in this Management Proxy Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

The Corporation will not pay for intermediaries to deliver the Notice of Meeting, Management Proxy Circular and voting instruction form to objecting Beneficial Shareholders, and objecting Beneficial Shareholders will not receive the Meeting materials unless their intermediary assumes the cost of the delivery.

VOTING OF PROXIES

IN THE ABSENCE OF ANY DIRECTION IN THE FORM OF PROXY, IT IS INTENDED IF MANAGEMENT'S PROXYHOLDERS ARE SELECTED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS MANAGEMENT PROXY CIRCULAR.

The shares represented by proxies will, on any poll where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made.

SUCH SHARES WILL ON A POLL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgement on such matters or business. At the time of the

printing of this Management Proxy Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Authorized Capital: Unlimited number of common shares without par value
 Issued and Outstanding: 10,432,583 common shares without par value⁽¹⁾
⁽¹⁾ As at May 1, 2017.

Only shareholders of record at the close of business on May 1, 2017, (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his or her name on the list of shareholders, which is available for inspection during normal business hours at TSX Trust Company and will be available at the Meeting.

To approve a motion for an ordinary resolution, a simple majority of the votes cast in person or by proxy will be required; to approve a motion for a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy will be required.

To the knowledge of the directors and senior officers of the Corporation, no person or company beneficially owns, directly or indirectly or exercises control or direction over shares carrying 10% or more of the voting rights attached to the outstanding shares of the Corporation.

FINANCIAL STATEMENTS

Our audited financial statements for the years ended September 30, 2016 and 2015 will be placed before you at the meeting. These financial statements have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Copies of our annual financial statements and Management’s Discussion and Analysis will also be available at the meeting or upon request by any shareholder who wishes to receive a copy. You can contact Seaway at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 - telephone (604) 685-9316; facsimile (604) 683-1585.

APPOINTMENT OF AUDITORS

The shareholders will be asked to vote for the appointment of Jackson & Company, Chartered Accountants, as the auditor of the Corporation to hold office until the next annual general meeting of shareholders of the Corporation at a remuneration to be fixed by the directors. Jackson & Company, Chartered Accountants, has been the Corporation’s auditor since January 15, 2016.

Effective January 15, 2016, the Corporation accepted the resignation of Buchanan Barry LLP, Chartered Accountants, as the auditor of the Corporation and appointed Jackson & Company, Chartered Accountants, as the new auditor of the Corporation.

As required pursuant to NI 51-102, a copy of the complete reporting package, including the Corporation’s Notice of Change of Auditor, dated January 15, 2016, and letters of acknowledgement from each of Jackson & Company, dated January 21, 2016, and Buchanan Barry LLP, dated January 22, 2016, were filed on SEDAR and are attached to this Information Circular as Schedule “B”. There have been no reportable disagreements between the Corporation and Buchanan Barry LLP and no qualified opinion or denial of opinion by Buchanan Barry LLP within the meaning of NI 51-102.

ELECTION OF DIRECTORS

Number of Directors

The Board presently consists of five (5) directors. The term of office of each of the present directors expires at the Meeting. It is proposed that the number of directors to be elected at the Meeting for the ensuing year be fixed at five (5). At the Meeting, the shareholders of the Corporation will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at five (5).

Advance Notice for Nomination of Directors

On June 25, 2013, the Board of Directors approved the enactment of By-law No. 1A, pursuant to which, if a shareholder proposes to nominate an individual or individuals for election as a director of Seaway at an annual meeting of shareholders, notice to Seaway must be given not less than 35 and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event an annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting is made, notice of a director nomination may be given to Seaway not later than the close of business on the 10th day following the date of such public announcement.

As of the date of this Management Proxy Circular and in connection with the meeting to which this Management Proxy Circular relates, Seaway has not received any notice under the advance notice provisions for nomination of any person for election as a director of Seaway and, as such, only nominations for election of directors by or at the direction of the Board or an authorized officer of Seaway will be considered at the meeting.

The full text of By-law No. 1A was attached to the information circular prepared for the special meeting of shareholders held on August 12, 2013 and was SEDAR filed under the Corporation's profile at www.sedar.com. By-law No. 1A was ratified and confirmed by the shareholders at the special meeting of shareholders held on August 12, 2013.

Nominees for Election

The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Corporation or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("BCBCA") or the Articles of the Corporation.

The following table sets out the names of management's nominees for election as directors, the place in which each is ordinarily resident, all offices of the Corporation now held by each of them, their principal occupations, or employment during the past five years if such nominee is not presently an elected director, the period of time during which each has been a director of the Corporation, and the number of common shares of the Corporation beneficially owned by each of them, directly or indirectly, or over which control or direction is exercised, as of the date of this Management Proxy Circular.

Name, Position and Province and Country of Residence ⁽¹⁾	Principal Occupation and, if not at present an elected Director, Occupation during the past five years ⁽¹⁾	Director Since	No. of Shares beneficially held ⁽²⁾
DAVID SIDOO President and Director (British Columbia, Canada)	Self-employed consultant since June 2000. President, Chief Executive Officer and Director of Advantage Lithium Corp. and East West Petroleum Corp., both listed for trading on the TSX Venture Exchange. Mr. Sidoo currently serves on the Board of Governors for the University of British Columbia since 2014.	Oct 17/16	225,000

Name, Position and Province and Country of Residence ⁽¹⁾	Principal Occupation and, if not at present an elected Director, Occupation during the past five years ⁽¹⁾	Director Since	No. of Shares beneficially held ⁽²⁾
<p>NICK DEMARE⁽³⁾ Chief Financial Officer, Corporate Secretary and Director (British Columbia, Canada)</p>	<p>Chartered Professional Accountant. President and principal of Chase Management Ltd., a private consulting firm since 1991. Director and/or officer of several public companies trading on the TSX and TSX Venture Exchanges, including Tinka Resources Limited, Leading Edge Materials Corp. and Advantage Lithium Corp.</p>	Oct 17/16	Nil
<p>PETER ESPIG Director (British Columbia, Canada)</p>	<p>President and Chief Executive Officer of Nicola Mining Inc. since November 2013. Mr. Espig has been a founding director of Phosplatin Therapeutics, a private biopharmaceutical company, since November 2010. He was a former CFO of Long Harbour Exploration Ltd., a mineral exploration company listed on the TSX Venture Exchange, from March 2013 to December 18, 2014. Mr. Espig also served as Vice-President of the Principal Finance and Securitization Group and Asia Special Situations Group for Goldman Sachs Japan. Prior to joining Goldman Sachs, Mr. Espig served as Vice-President of Olympus Capital, a New York private equity firm. Mr. Espig is Chairman of the Vancouver Center of Arts and Technology.</p>	Oct 17/16	150,000
<p>MAX SALI⁽³⁾ Director (British Columbia, Canada)</p>	<p>Mr. Sali has been in the capital markets for seven years managing private family assets. He is the President of Baccarat Investments Inc., a private company providing consulting and management services to public companies along with investing.</p>	Oct 17/16	325,000
<p>DYLAN SIDOO⁽³⁾ Director (British Columbia, Canada)</p>	<p>Mr. Sidoo is a graduate of the University of Southern California (School of Cinematic Arts) December 2016. While at USC he founded Stryker Entertainment, LLC, a film acquisitions and distribution company. Previously he held an internship at Haywood Securities as a summer analyst. Dylan has also worked with Thunderbird Films and recently, he interned with sports agency, William Morris Endeavour.</p>	Dec 20/16	170,000

NOTES:

- (1) The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (3) Denotes member of Audit Committee.

You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Corporation.**

Corporate Cease Trade Orders and Bankruptcies

Other than is disclosed below, no proposed director of the Corporation is, as at the date of this Management Proxy Circular, or was within 10 years before the date of this Management Proxy Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director of the Corporation:

- (a) is, as at the date of this Management Proxy Circular, or has been within the 10 years before the date of this Management Proxy Circular, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

No proposed director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

During the ten years preceding the date of this Management Proxy Circular, no director has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Nick DeMare is a former independent director of Andean American Gold Corp. (“**Andean American**”). On August 2, 2007, Andean American was issued a cease trade order by the British Columbia Securities Commission (“**BCSC**”) for deficiencies in Andean American’s continuous disclosure material related to its resource properties and for deficiencies in a previously filed National Instrument 43-101 – Standards of Disclosure to Mineral Projects (“**NI 43-101**”) technical report. On October 22, 2007, Andean American filed an amended NI 43-101 technical report and issued a clarifying news release. The cease trade order was lifted and the shares resumed trading on October 24, 2007.

Nick DeMare is a director of Salazar Resources Limited (“**Salazar**”). On September 10, 2010, Salazar was issued a cease trade order by the BCSC for failing to file a technical report on its Curipamba project in Ecuador supporting its disclosure concerning mineral resource estimates on a news release dated February 25, 2009. Salazar filed a new technical report and the cease trade order was revoked by the BCSC on October 14, 2010 and its shares resumed trading on October 18, 2010.

AUDIT COMMITTEE

Pursuant to section 224 of the BCBCA, the Corporation is required to have an audit committee composed of not less than three directors of the Corporation, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

The Corporation must also, pursuant to the provisions of National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”), provide the following information regarding its audit committee (the “**Audit Committee**”) to its shareholders in this Management Proxy Circular.

Audit Committee Charter

The Corporation has a written charter (the “**Audit Committee Charter**”) which sets out the duties and responsibilities of the Audit Committee. The text of the Audit Committee Charter is attached as Schedule “A”.

Composition of the Audit Committee

At the present time, the Corporation’s Audit Committee is composed of Nick DeMare (non-independent; financially literate), Max Sali (independent and financially literate) and Dylan Sidoo (independent and financially literate).

Relevant Education and Experience

Nick DeMare

Mr. Nick DeMare is a Chartered Professional Accountant and has been the President of Chase Management Ltd. since 1991. Chase is a private company which provides accounting, management, securities regulatory compliance and corporate secretarial services to companies listed on the Toronto and Venture Exchanges and their predecessors. He also serves as an officer and/or director of a number of public companies listed on the Toronto and Venture Exchanges. He holds a Bachelor of Commerce degree from the University of British Columbia and is a member in good standing with the Institute of Chartered Accountants of British Columbia.

Max Sali

Mr. Sali has been in the capital markets for 7 years managing private family assets. He is the president of Baccarat Investments Inc., a private company providing consulting and management services to public companies, including East West Petroleum and Advantage Lithium Corp.

Dylan Sidoo

Mr. Sidoo is a graduate of the University of Southern California (School of Cinematic Arts) December 2016. While at USC he founded Stryker Entertainment, LLC, a film acquisitions and distribution company, where he successfully

outputted several films with Shout! Factory and Netflix. Previously he held an internship at Haywood Securities as a summer analyst. Dylan has also worked with Thunderbird Films and assisted in the legal affairs department. Most recently, he interned with the most connected entertainment and sports agency in the world; William Morris Endeavour. With strong entertainment connections in Los Angeles, this past summer Dylan worked at Lionsgate Entertainment in Santa Monica, CA.

As a result of their respective business experience, each member of the audit committee (i) has an understanding of the accounting principles used by the Corporation to prepare its financial statements, (ii) has the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves, (iii) has experience in analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to that that can reasonably be expected to be raised by the Corporation's financial statements, and (iv) has an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of Seaway's most recently completed fiscal year ended September 30, 2016, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

Reliance on Certain Exemptions

As Seaway is a "venture issuer" pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 – Audit Committees ("NI 52-110") from the Audit Committee composition requirements of Part 3 and the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of Seaway's most recently completed fiscal year ended September 30, 2016, has Seaway relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-Audit Services) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Our Audit Committee Charter provides that management seek approval from the Audit Committee for all non-audit services to be provided to Seaway by our external auditor, prior to engaging the external auditor to perform those non-audit services. The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two complete financial years for audit fees are as follows:

Financial Period Ending	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
September 30, 2016	\$6,500	-	-	-
September 30, 2015	\$10,000	-	-	-

NOTES:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

CORPORATE GOVERNANCE

Composition of Board of Directors

The Board of Directors of Seaway facilitates its exercise of independent supervision over management by ensuring that there are directors on the Board who are independent of management. The Board, at present, is comprised of five directors, three of whom, Peter Espig, Max Sali and Dylan Sidoo are considered to be independent of management, having applied the guidelines contained in applicable securities legislation. In determining whether a director is independent, in addition to complying with the requirements of applicable securities legislation and stock exchange policy, the Board considers, for example, whether a director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. On this basis, David Sidoo, as President and Chief Executive Officer and Nick DeMare, as Chief Financial Officer and Corporate Secretary, are not considered to be independent of management.

Board consideration and approval is required for all material contracts, business transactions and all debt and equity financing proposals. The Board delegates to management, through the Chief Executive Officer, responsibility for meeting defined corporate objectives, evaluating new business opportunities and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives.

The directors believe that, at Seaway's present stage of development, the current composition of the Board of Directors adequately facilitates its exercise of independent supervision over management. The Board facilitates independent supervision of management through meetings of the Board and through informal discussions among independent members of the Board and management. In addition, the independent directors have access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers. As Seaway matures as a business enterprise and as may be required to ensure there are a sufficient number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board, Seaway's Board of Directors will identify additional qualified candidates that have experience relevant to Seaway's needs and who are independent of management for recommendation for election as additional directors of Seaway. See "*Nomination of Directors*" above.

Directorships in other Public Companies

Certain of the directors of Seaway are also directors of other reporting issuers as of the date of this Management Proxy Circular, details of which are as follows:

<u>Director</u>	<u>Other Reporting Issuer</u>
David Sidoo	Advantage Lithium Corp. and East West Petroleum Corp.
Nick DeMare	Aguila American Gold Limited, Cliffmont Resources Ltd., Canex Energy Corp., East West Petroleum Corp., GGL Resources Corp., Hansa Resources Limited, Global Daily Fantasy Sports Inc., Kingsmen Resources Ltd., Leading Edge Materials Corp., Mawson Resources Limited, Mirasol Resources Ltd., Hannan Metals Ltd., Rochester Resources Ltd., Rockshield Capital Corp., Salazar Resources Limited and Tinka Resources Limited
Max Sali	n/a
Peter Espig	Nicola Mining Inc.
Dylan Sidoo	East West Petroleum Corp.

Orientation and Continuing Education

As of the date of this Circular, Seaway does not have an official orientation or training program for new directors. New directors will be provided, through discussions and meetings with other directors, officers, employees and consultants, with a thorough overview of Seaway's business. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Management endeavours to provide a continuous flow of information to our directors for continuing education purposes relating to Seaway's business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Seaway may face. Directors are expected to meet with management to discuss and better understand Seaway's business, operations and issues, and are encouraged to discuss with legal counsel their legal obligations as directors of Seaway.

Ethical Business Conduct

Our Board monitors the ethical conduct of Seaway and endeavours to ensure that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by our governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of Seaway and its shareholders.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as the directors of Seaway also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of its governing corporate law, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

Nomination and Election of Directors

The Board of Directors will consider its size each year when it considers the number of directors to recommend to its shareholders for election at annual meetings, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience. The Board has not, as yet, appointed a nominating committee and these functions will, in the near term, be performed by the Board as a whole, although no formal process has been adopted. Nominees are generally the result of recruitment efforts by the Board including both formal and informal discussions among the directors and Seaway's officers.

Seaway has adopted advance notice procedures for nomination of directors, which requires that a shareholder proposing to nominate a person for election as a director at a meeting of shareholders must provide Seaway with advance notice of, and prescribed details concerning, the proposed nominee. See "*Election of Directors – Advance Notice for Nomination of Directors.*"

Voting for election of directors of Seaway is by individual voting and not by slate voting. Seaway has not, as yet, adopted a majority voting policy such that procedures would be in place requiring the resignation of a director should the director receive more "withheld" votes than votes "for" at any uncontested meeting of shareholders at which directors are elected.

Committees of the Board of Directors

As of the date of this Information Circular, the Board has no other established committee other than the Audit Committee.

The members of the Audit Committee are Nick DeMare, Max Sali and Dylan Sidoo.

Assessments

The Board does not formally review the contributions of individual directors; however it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purposes of this Management Proxy Circular, a “Named Executive Officer” (a “NEO”) means the following persons:

- (a) the Corporation’s Chief Executive Officer (“CEO”);
- (b) the Corporation’s Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended September 30, 2016, the Corporation had four NEOs, being: Brendan Purdy, who was appointed as CEO on April 19, 2016 and resigned on October 17, 2016; Ryan Cheung, who was appointed as CFO on April 19, 2016 and resigned on October 17, 2016; Kyle Stevenson, who was appointed as CEO on May 1, 2013 and resigned on April 19, 2016; Michal J. Holub, who was appointed as CFO on September 30, 2008 and resigned on April 19, 2016.

During the financial years ended September 30, 2015 and 2014, the Corporation had two NEOs, being Kyle Stevenson, who acted as CEO from May 1, 2013 until April 19, 2016; and Michal J. Holub, who acted as CFO from September 30, 2008 until April 19, 2016.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Corporation to each NEO and director of the Corporation for the completed financial years ended September 30, 2016, 2015 and 2014. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Brendan Purdy ⁽³⁾ <i>Former CEO and former Director</i>	2016	16,087	n/a	n/a	n/a	n/a	16,087
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Ryan Cheung ⁽⁴⁾ <i>Former CFO and former Director</i>	2016	15,000	n/a	n/a	n/a	n/a	15,000
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Kyle Stevenson ⁽⁵⁾ <i>Former CEO and former Director</i>	2016	15,000	n/a	n/a	n/a	n/a	15,000
	2015	5,000	n/a	n/a	n/a	n/a	5,000
	2014	5,000	n/a	n/a	n/a	n/a	5,000

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Michal J. Holub ⁽⁶⁾ <i>Former CFO</i>	2016	6,878	n/a	n/a	n/a	n/a	6,878
	2015	11,123	n/a	n/a	n/a	n/a	11,123
	2014	1,246	n/a	n/a	n/a	n/a	1,246
Denis Clement ⁽⁷⁾ <i>Former Director</i>	2016	5,650	n/a	n/a	n/a	n/a	5,650
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Richard Stevenson ⁽⁸⁾ <i>Former Director</i>	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Brian Morrison ⁽⁹⁾ <i>Former Director</i>	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Clovis Najm ⁽¹⁰⁾ <i>Former Director</i>	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a
Michael D. Windle ⁽¹¹⁾ <i>Former Director</i>	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	n/a	n/a	n/a	n/a	n/a	n/a
	2014	n/a	n/a	n/a	n/a	n/a	n/a

NOTES:

- (1) Financial years ended September 30.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Corporation.
- (3) Mr. Brendan Purdy served as CEO from April 19, 2016 to October 17, 2016.
- (4) Mr. Ryan Cheung served as CFO from April 19, 2016 to October 17, 2016.
- (5) Mr. Kyle Stevenson served as CEO from May 1, 2013 to April 19, 2016.
- (6) Mr. Michal J. Holub served as CFO from September 30, 2008 to April 19, 2016.
- (7) Mr. Denis Clement served as director from January 4, 2016 to October 17, 2016.
- (8) Mr. Richard Stevenson served as director from June 24, 2013 to April 19, 2016.
- (9) Mr. Brian Morrison served as director from April 7, 2014 to April 19, 2016.
- (10) Mr. Clovis Najm served as director from April 16, 2014 to January 4, 2016.
- (11) Mr. Michael D. Windle served as director from September 30, 2008 until April 4, 2014.

Stock Options and Other Compensation Securities and InstrumentsFinancial Year Ended September 30, 2016

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Corporation to each NEO and director of the Corporation for the financial year ended September 30, 2016, for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Brendan Purdy	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Ryan Cheung	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Kyle Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michal J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Denis Clement	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Brian Morrison	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Corporation for the financial year ended September 30, 2016:

Exercise of Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Brendan Purdy	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Ryan Cheung	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Kyle Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michal J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Denis Clement	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Brian Morrison	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Financial Year Ended September 30, 2015

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Corporation to each NEO and director of the Corporation for the financial year ended September 30, 2015, for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Kyle Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michael J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Brian Morrison	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Corporation for the financial year ended September 30, 2015:

Exercise of Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Kyle Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michael J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Brian Morrison	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Financial Year Ended September 30, 2014

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Corporation to each NEO and director of the Corporation for the financial year ended September 30, 2014, for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽¹⁾	Expiry Date
Kyle Stevenson	Stock options	66,667	Mar 21/14	0.405	0.45	0.42	Mar 21/19 ⁽²⁾
Michal J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽¹⁾	Expiry Date
Brian Morrison	Stock options	18,333	Mar 21/14	0.405	0.45	0.42	Mar 21/19 ⁽²⁾
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michael D. Windle	n/a	Nil	n/a	n/a	n/a	n/a	n/a

NOTES:

(1) As at September 30, 2014.

(2) Messrs. Stevenson and Morrison resigned from their positions on April 19, 2016 and, accordingly, these options have expired.

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Corporation for the financial year ended September 30, 2014:

Exercise of Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Kyle Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michal J. Holub	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Richard Stevenson	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Brian Morrison	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Clovis Najm	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michael D. Windle	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Stock Option Plans and Other Incentive Plans

The Corporation has no other incentive plans other than its stock option plan (the “**Option Plan**”). For a description of the Option Plan, see “*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*”.

Employment, Consulting and Management Agreements

Management functions of the Corporation are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted.

Oversight and Description of Director and NEO Compensation

Compensation Discussion & Analysis

The primary goal of our executive compensation program is to attract and retain the key executives necessary for Seaway’s long term success, to encourage executives to further the development of Seaway and our operations, to motivate skilled and experienced executives, and to reward management for their contributions to Seaway’s

achievements on both an annual and long term basis. The key elements of the executive compensation program are base salary or management fees and incentive stock options, and the Corporation may, from time to time, make cash bonuses a component of compensation, taking into consideration performance by both the Corporation and the respective personnel. Though the Corporation has not, as yet, adopted a formal bonus plan or non-equity incentive plan, all personnel, including executive officers, are eligible to receive bonuses. Our directors are of the view that all elements of the total compensation program should be considered, rather than any single element.

During the fiscal year ended September 30, 2016 no executive bonus compensation was awarded or paid.

Compensation Process, the Role of the Compensation Committee and Compensation Governance

Seaway relies solely on its Board of Directors, through discussion without any formal objectives, criteria or analysis, in determining the compensation of its executive officers. The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of incentive stock options that may be granted to directors, officers, employees and consultants, and for reviewing compensation for Seaway's executive officers to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of Seaway's executive officers, the Board of Directors considers: (i) recruiting and retaining executives critical to the success of Seaway and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Seaway's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

Option-based Awards

Options to purchase common shares of Seaway are intended to align the interests of our directors and executive officers with those of our shareholders and to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value. Seaway's stock option incentive plan is administered by the Board of Directors (see "*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*"). In establishing the number of the incentive stock options to be granted, the Board of Directors will consider any previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options, and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation.

During the fiscal year ended September 30, 2016, no incentive stock options were granted by Seaway.

Benefits and Perquisites

As of the date of this Circular, our executive officers do not receive any benefits or perquisites that are not generally available to all of our officers and employees.

Pension Plan Benefits and Deferred Compensation Plans

As of the date of this Circular, Seaway does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Risks Associated with Compensation Practises

Our Board of Directors has not, as yet, specifically considered the implications of any risks to Seaway associated with decisions regarding compensation of its executive officers. However, as compensation of executive officers is determined by negotiation of set, monthly amounts between the Board of Directors and the individual, or at the discretion of the Board as relates to any bonus potential or stock option incentive plan awards, and compensation of Seaway's executive officers is not based on quantitative performance criteria, management is of the view that there is no material risk of Seaway's executive officers or directors taking, as a result of compensation process or potential, inappropriate or excessive risks during the performance of their duties that are reasonably likely to have a material adverse effect on Seaway or its business and operations.

Hedging by Executive Officers or Directors

Seaway has not, as yet, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted or awarded as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Circular, entitlement to grants of incentive stock options under Seaway's stock option plan is the only equity security element awarded by Seaway to its executive officers and directors.

Pension

The Corporation does not have any form of pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. The Corporation does not have any form of deferred compensation plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**Equity Compensation Plan Information**

The following table provides information regarding the number of securities authorized for issuance under the Existing Plan, as at the end of the Corporation's most recently completed financial year ended September 30, 2016:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c)
Equity compensation plans approved by securityholders	93,333	0.405	804,425
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

NOTE:

- (1) Based on the total number of common shares of the Corporation to be reserved and authorized for issuance pursuant to options granted under the Existing Plan being 10% of the issued and outstanding common shares from time to time.

Summary of the Stock Option Plan

For a description of the Option Plan, see "*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the most recently completed fiscal year ended September 30, 2016, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of Seaway, nor any nominee for election as a director of the Seaway, nor any associate of any such person, was indebted to Seaway, nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Seaway.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed below, no proposed nominee for election as a director, and no director or officer of the Corporation who has served in such capacity since the beginning of the Corporation's most recently completed fiscal year ended September 30, 2016, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Corporation's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had or has any interest in any transaction with the Corporation, or in any proposed transaction, that has materially affected the Corporation or is likely to do so.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as set out below, Seaway is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Seaway or a change in a Named Executive Officer's responsibilities.

MANAGEMENT CONTRACTS

Other than as described herein, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors or executive officers of the Corporation.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of Seaway who have served in such capacity since the beginning of our most recently completed fiscal year ended September 30, 2016, no proposed nominee for election as a director of Seaway, nor any associate or affiliate of any of those individuals, has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting other than the election of directors and annual approval of the Option Plan, details of which are disclosed below under the heading "*Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan.*"

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification of Stock Option Plan

TSX Venture Exchange (the "**Exchange**") policy require that rolling stock option plans that set the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares from time to time must be approved and ratified by shareholders and submitted to the Exchange for approval on an annual basis. At the meeting, shareholders will be asked to consider and, if thought advisable, pass, by way of an ordinary resolution, approval and ratification of our 2011 Stock Option Plan, (the "**Option Plan**") as required annually by the policies of the Exchange.

Summary of the Option Plan

The Option Plan shall be administered by the Board or if appointed, by a special committee of directors appointed from time to time by the Board. The aggregate number of common shares that may be reserved for issuance under options granted in accordance with the terms of the Option Plan shall not exceed 10% of Seaway's issued and outstanding common shares at the time of grant. The number of common shares subject to an option granted to a "**Participant**" (as such term is defined in the Option Plan) shall be determined by the Board, but no Participant shall be granted an option that exceeds the maximum number of shares permitted by any stock exchange on which the common shares are then listed or by any other regulatory body having jurisdiction (as defined collectively in the Option Plan as the "**Exchange**"). The exercise price for purchase of the common shares underlying each option shall be determined by the Board, provided however, that the exercise price shall not be less than the minimum price permitted by the Exchange. Subject to any applicable approvals required by the Exchange, the Board has the absolute discretion to suspend or terminate the Option Plan; and, subject to any required Exchange approval, the Board may also amend or revise the terms of the

Option Plan provided that no such amendment or revision shall result in a material adverse change to the terms of any options granted under the Option Plan, unless shareholder approval is obtained for such amendments or revisions.

The maximum term of any option granted under the Option Plan shall be ten years from the date the option is granted. Notwithstanding the above, options will expire 90 days after an individual ceases to qualify as a Participant under the Option Plan for any reason other than death, subject to extension at the discretion of the Board. Options granted to a Participant that provides investor relations activities will expire 30 days after the Participant ceases to provide investor relations services to the Corporation, subject to the individual otherwise qualifying as a Participant under the Option Plan. In the event of the death of a Participant, options previously granted to the Participant shall be exercisable by the Participant's estate for one year from the date of death if and to the extent that such option had vested and was exercisable at the date of death.

Pursuant to Seaway's practise respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in Seaway's securities. These periods are referred to as "black-out periods". A black out period is designed to prevent a person from trading while in possession of material information that is not yet available to the public. The Option Plan includes provision that should an option expiration date fall within a black out period or immediately following a black-out period, the expiration date will automatically be extended for ten business days following the end of the black-out period.

The Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the common shares of Seaway; and includes provisions related to withholding tax obligations of Seaway on exercise of options by Participants.

Our directors may, at their discretion at the time of any grant, impose a schedule over which period of time an option will vest and become exercisable by a Participant.

As of the date of this Circular, there are options outstanding under the Option Plan entitling the purchase of an aggregate 890,000 common shares of Seaway at a per share price of \$0.20 until October 20, 2021, which options are held by four of Seaway's directors and/or officers and two consultants. Based on the number of common shares of Seaway issued and outstanding as of the date of this Circular, the balance of the Option Plan reserve provides for further grants of options entitling the purchase of 153,258 common shares of Seaway.

Seaway's Option Plan was most recently approved by our shareholders on May 28, 2014. A copy of the Option Plan will be available for inspection at the meeting to which this Circular relates. There have been no changes to the terms of the Option Plan since it was last approved by shareholders.

Shareholder Approval

Shareholders will be asked at the meeting to vote on the following resolution:

“RESOLVED THAT:

- (1) the Corporation's 2011 Stock Option Plan (the “**Option Plan**”), all as more particularly described in the Corporation's Management Proxy Circular dated May 1, 2017, with such changes to the Option Plan as may be required by the TSX Venture Exchange, is approved, ratified and confirmed; and
- (2) any director or officer of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.”

Recommendation

We believe the Option Plan provides incentive to and enables us to better align the interests of our directors and officers with those of our shareholders. **The Board of Directors recommend that shareholders vote FOR the resolution approving the Option Plan. Unless you give other instruction, the persons named in the enclosed form of proxy intend to vote FOR the resolution approving the Option Plan.**

OTHER MATTERS

Management of the Corporation knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Management Proxy Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Management Proxy Circular to vote the same in accordance with their best judgement of such matters.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation at its office located at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 or by telephone at (604) 685-9316 to request copies of the Corporation's financial statements and management discussion and analysis.

Financial information for the Corporation is provided in the Corporation's audited financial statements and management discussion and analysis for financial years ended September 30, 2016 and 2015 which are available on SEDAR at www.sedar.com.

DATED at Vancouver, British Columbia, this 1st day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

“David Sidoo”

David Sidoo, President

SCHEDULE "A"

SEAWAY ENERGY SERVICES INC.

AUDIT COMMITTEE CHARTER

1. **Establishment of Audit Committee:** The directors of the Company (the "Directors") hereby establish an audit committee (the "Audit Committee").
2. **Membership:** The membership of the Audit Committee shall be as follows:
 - (a) The Audit Committee shall be composed of three members or such greater number as the Directors may from time to time determine.
 - (b) The majority of the members of the Audit Committee shall be independent Directors
 - (c) Each member of the Audit Committee shall be financially literate. For purposes hereof "financially literate" has the meaning set forth under NI 52-110 (as amended from time to time) and currently means the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably be expected to be raised by the Company's financial statements.
 - (d) Members shall be appointed annually from among members of the Directors. A member of the Audit Committee shall ipso facto cease to be a member of the Audit Committee upon ceasing to be a Director of the Company.
3. **Oversight Responsibility:** The external auditor is ultimately accountable to the Directors and the Audit Committee, as representatives of the shareholders and such shareholders representatives have the ultimate authority and responsibility to select, evaluate, and where appropriate, replace the external auditors (or to nominate the external auditors to be proposed for shareholder approval in any management information circular and proxy statement). The external auditor shall report directly to the Audit Committee and shall have the responsibilities as set forth herein.
4. **Mandate:** The Audit Committee shall have responsibility for overseeing:
 - (a) the accounting and financial reporting processes of the Company; and
 - (b) audits of the financial statements of the Company.

In addition to any other duties assigned to the Audit Committee by the Directors, from time to time, the role of the Audit Committee shall include meeting with the external auditor and the senior financial management of the Company to review all financial statements of the Company which require approval by the Directors, including year-end audited financial statements. Specifically, the Audit Committee shall have authority and responsibility for:

- (a) reviewing the Company's financial statements, MD&A and earnings press releases before the information is publicly disclosed;
- (b) overseeing the work of the external auditors engaged for purposes of preparing or issuing, an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting;
- (c) reviewing annually and recommending to the Directors:

- (i) the external auditors to be nominated for purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the external auditors.
- (d) discussing with the external auditor:
 - (i) the scope of the audit, in particular their view of the quality of the Company's accounting principles as applied in the financials in terms of disclosure quality and evaluation methods, inclusive of the clarity of the Company's financial disclosure and reporting, degree of conservatism or aggressiveness of the Company's accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosure and reviewed by the auditors;
 - (ii) significant changes in the Company's accounting principles, practices or policies; and
 - (iii) new developments in accounting principles, reporting matters or industry practices which may materially affect the Company.
- (e) reviewing with the external auditor and the Company's senior financial management the results of the annual audit regarding:
 - (i) the financial statements;
 - (ii) MD&A and related financial disclosure contained in continuous disclosure documents; (iii) significant changes, if any, to the initial audit plan;
 - (iv) accounting and reporting decisions relating to significant current year events and transactions;
 - (v) the management letter, if any, outlining the auditor's findings and recommendations, together with management's response, with respect to internal controls and accounting procedures; and
 - (vi) any other matters relating to the conduct of the audit, including such other matters which should be communicated to the Audit Committee under Canadian generally accepted auditing standards.
- (f) reviewing and discussing with the Company's senior financial management and, if requested by the Audit Committee, the external auditor:
 - (i) the interim financial statements; (ii) the interim MD&A; and
 - (iii) any other material matters relating to the interim financial statements, including, inter alia, any significant adjustments, management judgments or estimates, new or amended accounting policies.
- (g) receipt from external auditor of a formal written statement delineating all relationships between the auditor and the Company and considering whether the advisory services performed by the external auditor during the course of the year have impacted their independence, and also ensuring that no relationship or services between the external auditor and the Company is in existence which may affect the objectivity and independence of the auditor or recommending appropriate action to ensure the independence of the external auditor.
- (h) pre-approval of all non-audit services to be provided to the Company or its subsidiary entities by the external auditors or the external auditors of the Company's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee.

- (i) reviewing and discussing with the external auditors and senior financial management the adequacy of procedures for review of disclosure of financial information extracted or derived from financial statements, other than the disclosure referred to in subparagraph (a) above.
 - (j) establishing and reviewing of procedures for:
 - (i) receipt, retention and treatment of complaints received by the Company and its subsidiary entities regarding internal accounting controls, or auditing matters;
 - (ii) anonymous submission by employees of the corporation and its subsidiary entities of concerns regarding questionable accounting or auditing matters; and
 - (iii) hiring policies regarding employees and former employees of present and former external auditors of the Company and its subsidiary entities.
 - (k) reviewing with the external auditor, the adequacy of management's internal control over financial reporting relating to financial information and management information systems and inquiring of management and the external auditor about significant risks and exposures to the Company that may have a material adverse impact on the Company's financial statements, and inquiring of the external auditor as to the efforts of management to mitigate such risks and exposures.
 - (l) reviewing and/or considering that, with regard to the previous fiscal year,
 - management has reviewed the Company's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;
 - the external auditors and the Audit Committee have discussed the external auditors' judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Company's financial statements;
 - the Audit Committee, on its own (without management or the external auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Company's management and the external auditor; and
 - in reliance on review and discussions conducted with senior financial management and the external auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects and that the financial statements fairly reflect the financial condition of the Company.
5. **Administrative Matters:** The following general provisions shall have application to the Audit Committee:
- (a) A quorum of the Audit Committee shall be the attendance of a majority of the members thereof. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all the members of the Audit Committee.
 - (b) Any member of the Audit Committee may be removed or replaced at any time by resolution of the Directors of the Company. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Audit Committee shall hold such office until the close of the annual meeting of shareholders next following the date of appointment as a member of the Audit Committee or until a successor is duly appointed.
 - (c) The Audit Committee may invite such directors, officers and employees of the Company or affiliates thereof as it may see fit from time to time to attend at meetings of the Audit Committee and to assist

thereat in the discussion of matters being considered by the Audit Committee, The independent auditor is to appear before the Audit Committee when requested to do so by the Audit Committee.

- (d) The time and place for the Audit Committee meetings, the calling and the procedure at such meetings shall be determined by the Audit Committee having regard to the Articles and By-Laws of the Company.
- (e) The Chair shall preside at all meetings of the Audit Committee and shall have a second and deciding vote in the event of a tie. In the absence of the Chair, the other members of the Audit Committee shall appoint a representative amongst them to act as Chair for that particular meeting.
- (f) Notice of meetings of the Audit Committee may be given to the independent auditor and shall be given in respect of meetings relating to the annual audited financial statements. The independent auditor has the right to appear before and to be heard at any meeting of the Audit Committee. Upon the request of the independent auditor, the Chair of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters which the external auditor believes should be brought to the attention of the Directors or shareholders of the Company.
- (g) The Audit Committee shall report to the Directors of the Company on such matters and questions relating to the financial position of the Company or any affiliates of the Company as the Directors of the Company may from time to time refer to the Audit Committee.
- (h) The members of the Audit Committee shall, for the purpose of performing their duties, have the right to inspect all the books and records of the Company and its affiliates, and to discuss such books and records that are in any way related to the financial position of the Company with the directors, officers, employees and independent auditor of the Company and its affiliates.
- (i) Minutes of the Audit Committee meetings shall be recorded and maintained. The Chair of the Audit Committee will report to the Directors on the activities of the Audit Committee and/or the minutes of the Audit Committee meetings will be promptly circulated to the Directors or otherwise made available at the next meeting of Directors.
- (j) The Audit Committee shall, upon the approval of the Directors, adopt a formal written charter, which sets out the Audit Committee's responsibilities, the way they should be implemented and any other requirement such as membership and structure of the Audit Committee. The Audit Committee shall review and reassess the adequacy of the charter on an annual basis.
- (k) The Audit Committee shall ensure and/or consider that, with regard to the previous fiscal year,
 - (i) management has reviewed the Company's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;
 - (ii) the external auditor and the Audit Committee have discussed the independent auditor's judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Company's and/or the Company's financial statements;
 - (iii) the Audit Committee, on its own (without management or the independent auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Company's management and the external auditor; and
 - (iv) in reliance on review and discussions conducted with management and outside auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects.

- (l) The Audit Committee shall have the authority to:
 - (i) engage independent counsel and other advisors or consultants as it determines necessary to carry out its duties;
 - (ii) set and pay the compensation for any advisors employed by the Audit Committee; and
 - (iii) communicate directly with the internal (if any) and external auditors and qualified reserves evaluators or auditors.

SCHEDULE "B"

CHANGE OF AUDITOR REPORTING PACKAGE

**Notice of Change of Auditor
Pursuant to National Instrument 51-102 (Part 4.11)**

TO: Jackson & Company, Chartered Accountants
AND TO: Buchanan Barry LLP, Chartered Accountants
AND TO: Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission

Seaway Energy Services Inc. (the "Company") hereby gives notice that, in accordance with National Instrument 51-102 — *Continuous Disclosure Obligations* ("NI 51-102") Buchanan Barry LLP, Chartered Accountants (the "Former Auditor"), has resigned effective January 15, 2016 at the request of the Company. Effective January 15, 2016, the Company's Board of Directors, upon recommendation by the Company's Audit Committee, appointed Jackson & Company, Chartered Accountants (the "Successor Auditor") as successor auditor to fill the vacancy in the position of auditor of the Company until the next annual general meeting of shareholders.

The resignation of the Former Auditor and the appointment of the Successor Auditor have been considered and approved by the Company's Audit Committee and Board of Directors. The Company's Audit Committee and Board of Directors have reviewed the documents relating to the change of auditor.

The Former Auditor has not expressed any reservations or a modified opinion in its audit reports for the Company's two most recent fiscal years and any subsequent period. There are no reportable events between the Company and the Former Auditor, and there have been no qualified opinions or denials of opinion of the Former Auditor.

DATED this 15th day of January 2016.

ON BEHALF OF THE BOARD OF DIRECTORS OF
SEAWAY ENERGY SERVICES INC.

“Kyle Stevenson”

Kyle Stevenson
CEO



BUCHANAN BARRY LLP
CHARTERED ACCOUNTANTS

January 22, 2016

Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

Dear Sirs:

Re: Seaway Energy Services Inc.

As required by National Instrument 51-102, we have reviewed the information contained in the notice of change of auditor (the "Notice") for Seaway Energy Services Inc. dated January 15, 2016 and, based upon our firm's knowledge of the circumstances, we do not disagree with the information contained in the Notice.

Yours very truly,

Chartered Accountants



800 – 1199 West Hastings Street
Vancouver, British Columbia
Canada V6E 3T5
Telephone: +1 604 630 3838
Facsimile: +1 888 241 5996

January 21, 2016

Alberta Securities Commission

600, 250 – 5th Street S.W.
Calgary, AB T2P 0R4

British Columbia Securities Commission

PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2

Dear Sirs:

**Re: SEAWAY ENERGY SERVICES INC. (the “Company”)
Notice Pursuant to NI 51 – 102 of Change of Auditor**

In accordance with National Instrument 51-102, we have read the Company’s Change of Auditor Notice dated January 15th, 2016 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,

Jackson & Company

**Jackson & Company
Chartered Accountants**

Vancouver, B.C.
January 21, 2016